

## **ABSTRACT**

A system and method for managing and enforcing software licenses through automating per-seat software licensing using a “leased license” approach provides vendors with the assurance that purchasers are complying with software licenses while maximizing a customer’s use of purchased software licenses. Licenses are automatically enforced by expiring leased licenses and making the expired licenses available again for use by client computers. A system includes a licensing clearinghouse, a license server, clients, and terminal servers. A terminal server assists a client in obtaining a license with an expiration date from a license server, and helps maintain the client’s license status through license requests to the license server. Licenses that expire are recycled and made available again to clients. Prior to expiring, licenses are automatically updated during a license update period, and if a license is lost, a temporary license is issued. After the license update period, clients may receive a license update or a new license. Temporary licenses are replaced with permanent licenses that are returned to the available license pool, thus netting out the overall distribution of purchased licenses and assuring that a customer’s use of purchased licenses in not lost.